

**AUDIT COMMITTEE MEETING  
PUBLIC SESSION-Minutes**

**SAN ANTONIO, TX**

**November 5, 2019**

**I. CALL TO ORDER:**

Frank Hales, Audit Committee Chair called the meeting to order at 8:30 A.M. and welcomed the members and guests who were present.

**II. ROLL CALL:**

Present were the following members and guests:

NAME	STATE OR AFFILIATION	NAME	STATE OR AFFILIATION
Dan Armer	NM	*Mary Hugo	NE
Lee Baerlocher	MT	*Jim Kral	NJ
Michelle Biermeier	WI	*Kevin Lanham	WV
Karolyn Bishop	WA	*Anita Conner	PA
Keith Broussard	MT	*Deb Houck	PA
Holly Coon	MTC	*Tommy Cooper	GA
Angela Cumbie	AL	*Charla Wagner	KS
Jessie Eisenmenger	Amazon	*Megan Ferris	NE
Michael Emfinger	AL	*Scott Spilinek	NE
Cathy Felix	MTC	*Michael Williams	AK
Jen Galbreath	Amazon	*Krystal Bolton	LA
Layne Hadlock	ID	*Misgana Tesfaye	CO
Frank Hales	UT	*Marcia Ann Oakman	KY
Jennifer Hudson	DE		
Harold Jones	TN		
Bryan Kelly	WA		
Robert Kindred	DC		
Jayne Kulberg	WI		
Deanna Munds-Smith	AR		
Matthew Peyerl	ND		
Mark Schoenfield	MT		
Tom Shaner	ID		
Larry Shinder	MTC		
Jeff Silver	MTC		
Tiffany Southworth	UT		
Kim Stewart	MTC		
Marshall Stranburg	MTC		
Christy Vandevender	AL		
Warren Wood	DE		
Steve Yang	MTC		
Matt Chafin	OH		

\* Participated by telephone

**III. PUBLIC COMMENTS:**

There were no Public Comments.

**IV. APPROVAL OF MINUTES PUBLIC SESSION:**

The minutes of the public session of the Audit Committee meeting of August 5, 2019 in Boise, Idaho were approved with a motion by Layne Hadlock.

**V. AUDIT DIRECTOR'S REPORT**

Holly Coon, Audit Director, referred to her written report on the status of the Audit Program. For the first quarter of 2020 FY, the MTC Audit Program completed parts of five corporate income tax audits. The Audit Program also completed five sales tax audits and parts of seven other sales tax audits. The proposed assessments for the first quarter were \$3,359,790 for corporate income tax and \$1,397,426 for sales tax. There are nineteen (19) income and thirty-five (35) sales tax audits in progress.

Holly also mentioned that the MTC audit staff have already conducted 3 trainings during 2020 FY and the hiring process for a new income tax auditor is nearing closure. The Audit Program will likely hire two new income tax auditors in early 2020 calendar year. Holly also informed the Audit Committee that the Chicago audit office will be closing in May 2020.

**VI. NEW BUSINESS AND ADJOURNMENT**

There was no other new business to discuss and the public session was recessed at 8:58 A.M. by a motion from Layne Hadlock so the committee could hold a closed session. The public session was reopened at 12:02 P.M., and Frank reported on one item from the closed session.

The Audit Committee voted to allow taxpayer-provided audit narratives to be included, along with MTC staff narratives, in the confidential audit packet provided to the Audit Committee for discussion beginning at the Audit Committee meeting scheduled for late July of 2020 in Little Rock, Arkansas. To notify taxpayers of this opportunity, the committee directed MTC staff to revise the MTC Audit Brochure and directly notify the Council on State Taxation (COST) and Jeff Friedman of Eversheds Sutherland of this policy change.

The public session was adjourned at 12:04 P.M. by motion from Layne Hadlock.